LABOUR MONTHLY

A Magazine of Labour Unity
Founded 1921
Editor: R. Palme Dutt

Operation Chameleon	*	R.P.D.
Shareholding or Socialism ?	*	Margot Heinemann
Notes on Inflation	*	Student of Affairs
China First Seen, IV	*	R. Page Arnot
Light on Krupp's	*	D. N. Pritt, Q.C.
You Can Read On, If You Choose	*	Angela Tuckett

Marx Family Letters

Labour Discussion Forum

September, 1957

One shilling and sixpence

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

AWAKE TO LIFE

BY NOW most readers will be back at work, and once more in the thick of things; thoroughly braced, we hope, if not sun-tanned. Our thanks to those who sent cards and letters, from far and near. Amongst these I want to mention two. The first is a card sent from the Kremlin by a young engineer and his wife, delegates to the World Youth Festival. They write in high spirits; and during their stay 'we have been awake and absorbing the atmosphere for twenty hours out of twenty-four each day. We are not disappointed in life here!' The second is a letter also from Moscow which I am going to quote fully, for it gives a vivid picture of what the engineer and his wife were 'awake' to.

'Here is the greatest mass-fraternisation seen for a long time; 31,000 youth and students gathered from all over the world, paying their fares with difficulty, often getting their passports from their 'free-world' governments with difficulty and danger. They mix with millions of Muscovites, and with each other, filling the huge open spaces of the Red Square and the adjoining Riding-School Square, and every other open space, until they look from the distance like all the nemesia in the world gathered into one great bunch. They are all learning what sort of people they all are, and realising that no reason exists for their being anything but friends, and no reason why they should be set to fight each other. And very useful inter-delegation meetings and talks intensify their knowledge of each other, until the poor dirty little politicians in London and elsewhere can no longer make 'peace and friendship' into dirty words. For more than valuable fraternisation. They have come to lay the best of their talents before each other, too. Singers, dancers, musicians, sportsmen are giving wonderful performances, rivalling each other in competitions. More still, young workers in every industry, in agriculture too, and in every other occupation, meet to exchange experience and discuss their lives and their problems. (Fancy having a meeting of *métayers* (share-croppers) in a Socialist country! But there has been one.) And students of law, economics, and other sciences hold three-day seminars, where only a small part of the time is given to set speeches, most of the contributions coming informally from delegates, and differing views are argued out with great frankness.'

At this point, readers will be curious to know who is the shrewd observer, watching the youth of the world with such kindly encouragement. He is not only a reader but also one of our most valued contributors: D. N. Pritt, Q.C. But he did not overlook the mean-spirited efforts by people to whom peace and friendship is not the most welcome news in the world. Mr. Pritt's letter continues:

'Plenty of odd stories, too. A 'Western' press agent tries to create a fight in the U.S.A. delegation, which he may photograph! He fails.

(Continued on page iii of cover)

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Vol. XXXIX, No. 9 CONTENTS September, 1957

Page

NOTES OF THE MONTH: Operation Chameleon, by R.P.D. 385
SHAREHOLDING OR SOCIALISM? by Margot Heinemann 398
NOTES ON INFLATION, by 'A Student of Affairs' 404
CHINA FIRST SEEN, IV, by R. Page Arnot 411
LIGHT ON KRUPP'S, by D. N. Pritt, Q.C. 414
MARX FAMILY LETTERS: Marx's Translator 420
YOU CAN READ ON, IF YOU CHOOSE, by Angela Tuckett 423
LABOUR DISCUSSION FORUM: R. Dixon, T. Gorringe, G. Maddison, L. Ross, E. E. Stafford, B. Stern, T. Vernon 426
OBITUARY: Alderman Fred Henderson 397
KARL MARX: PUBLICATION OF *Capital* 408-409
TWENTY-FIVE YEARS AGO 410

Book Reviews:

Do You Know? by M. Ilyin and E. Segal: *James Kirkup* 432

Notes of the Month

Operation Chameleon

'Intervention of the State in industrial production takes place only when private initiative is lacking, or is inadequate, or when the interests of the State are at stake. Such intervention may take the form of control, participation or direct enterprise.'

MUSSOLINI, 'Labour Charter', Article IX.

THE battle for the future of labour policy is now joined. There is every prospect that the coming Trades Union Congress will sound a note of militant leadership, not only in industry, but also in the political field. The resolution of the Transport and General Workers Union, which 'rejects the principle of wage restraint in any form' and calls for industrial action to maintain the workers' standards in the face of rising prices, is a challenge, not only to the Tory Government, but also to the policy of the majority of the General Council. More. Powerful trade union leaders are directly intervening in the political field to strengthen the militant fight in the Labour Party. The leaders of the Confederation of Shipbuilding and Engineering Unions have publicly called on their three and a half million members to exert their influence in the coming Labour Party Conference in order to defeat the Executive policy of the retreat from nationalisation. This is a new portent in Labour politics.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Battleground

A storm of controversy has been aroused by the Executive document on the future of industry, proposing state shareholding in private monopolies as a possible substitute for nationalisation. In later pages in this issue we publish a full analysis and review of this Report (and of the accompanying statement on the nationalised industries) by Margot Heinemann. Here we are concerned with the political strategy and alignment which has developed around this Report. For around this Report the manifold issues of battle of left and right have crystallised. What will be the outcome? Will the Labour Party Conference prove strong enough to follow up the militant leadership of the key sections of the industrial workers at the Trades Union Congress and succeed in referring back this blueprint for open alliance with monopoly capitalism? The battle of these coming weeks will decide. There is no question that the approaching Trades Union Congress and Labour Party Conference will be taking the most significant decisions since the fall of the Labour Government for the future policy of the labour movement and the future of politics in Britain in the coming period.

A Confusion of Voices

Never has any Executive document produced such a conflicting medley of contradictory voices from every section of the movement as this Report on *Industry and Society*. If it was intended on the basis of this Report to unite left, right and centre behind a unanimous Executive, the practical consequence has been the opposite. Every interpretation differs from every other. 'It is difficult to find two Socialists who agree in their interpretation', reported the *Observer*. 'No one can state for certain what they mean', complained *Tribune*. Mikardo quotes the conflicting interpretations by Crossman, Wilson and Gaitskell and concludes: 'In my view the interpretation put upon *Industry and Society* by all these three colleagues of mine is as wrong as wrong can be'. And these are four members of the Executive who have 'unanimously' agreed on the document. Thirty-two Labour M.P.s, including many trade union M.P.s, find it 'a policy of retreat', 'the most disheartening document issued for a long time', which 'should be withdrawn or referred back' by the Conference. Thirty-four Labour M.P.s, including Strachey, Mayhew, Gordon-Walker, Mallalieu and others, find it a document of 'progress towards greater public ownership'. The *Daily Herald* finds the Report to be 'a blueprint for the ownership of Britain by *all* the British'. The *New Statesman* finds it 'an

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

attempt to come to terms with capitalism'. Crossman proclaims that 'it is no betrayal'. His fellow M.P. from Coventry, Edelman, declares that 'the Labour movement won't have it . . . it will never agree to a Labour Government becoming as an act of policy a hostage of capitalism'. Driberg in *Reynolds News* half-heartedly seeks to justify the document as 'a signpost, not a blueprint'. The right-wing *Socialist Commentary* wholeheartedly condemns its ambiguity:

> The particular mixture which the Party is now asked to digest is one of unusual dubiousness. It will be misinterpreted by our enemies, misunderstood by the electorate, and mistrusted by our supporters. For, say what one may, State ownership without control is not socialism. If it is anything at all, it is quite literally the State turned capitalist.
>
> (*Socialist Commentary*, August, 1957.)

All Things to All Men

What is the meaning of this extraordinary confusion? One thing is self-evident from this confusion. There is here no clarion call to rally Labour or the people to victory over Toryism. There is no programme of advance for a Labour Government. Whatever the merits or demerits of the document, there could be no greater disservice to the movement than to create this wholesale confusion of the ranks on the eve of battle. But in fact this confusion is no accident. On the contrary, it might rather be said that the real strategic purpose of the document is to create this confusion. For the straight right-wing policy of Socialist Union, of the 'socialist new thinkers' advocating the open replacement of the old aims of socialism by liberal reform capitalism, would be unlikely to win a majority in the present temper of the labour movement, with the advance of left trends both in the Labour Party and in the trade unions. Hence the attempt of the multiple authors of this document to conciliate all sections in the presentation. To conciliate the City and the 'moderate voter' by the exclusion of any proposal for new nationalisation. To conciliate the left by the most eloquent indictment of the class ownership of wealth in the hands of the 500 great monopolies, with the implication that the programme for the state acquisition of shares will ultimately take them over and end the class ownership of wealth by a new short-cut without nationalisation. And to satisfy the right by the concrete programme for the Shareholder State in place of socialisation. So everybody should be pleased. The entire Executive, right, left and centre, unites to launch the document. Behold, Chameleon is born to 'feed on air, promise-crammed'.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Disillusion

Unfortunately for the authors, things have worked out otherwise. The clever device has proved too clever. In place of pleasing all sections, it has displeased all sections. The City may note with satisfaction the abandonment of any specific proposal for new nationalisation: 'most of the 59 pages . . . are a smokescreen to cover this fact up', observed the *Economist*. But, in place of the concentration of the fight on two or three main industries to nationalise, the very vagueness of the hint of the possibility of state action in relation to all the big monopolies has provided the broadest target for reaction to seek to arouse the alarms of all propertied interests without exception and among the so-called 'moderate voters'. On the other hand, the overwhelming majority of the left in the labour movement has refused to be sidetracked by the specious picture of 'Socialism Without Tears' through a 'Shareholding Democracy', and has launched out in fury against the substitution of the Shareholder State for socialism. Finally the right wing, as shown in the editorial quoted from *Socialist Commentary*, has not concealed its dissatisfaction that its concrete programme to replace openly the old aim of socialisation has been so overlaid with dubious admixtures that the whole manœuvre is likely to be discredited.

Towards the Alternative

Diplomats and politicians have often been accused of 'double-talk,' that is, of saying one thing and meaning another. But this Report really tries to be multilingual, that is, to cover up its essential right-wing content with a complicated presentation to appear to be all things to all men. The only result has been universal discredit.

> *And be these juggling fiends no more believed,*
> *That palter with us in a double sense;*
> *That keep the word of promise to our ear,*
> *And break it to our hope.*

The sooner this abortion is buried, the better, in order that it may be replaced by a programme which is at any rate inspired by the aims of socialism, even if it only concentrates for the purposes of the next Labour Government on the nationalisation of specific major industries (or the main firms in those industries) whose nationalisation is already demanded by the organised workers in those industries, such as heavy engineering, building and chemicals.

Volte-Face on the Left?

Why did Aneurin Bevan and the seven so-called 'Bevanite'

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

members of the Executive, that is, the members elected by the constituency parties and regarded as representatives of the Left, vote with the right wing for this document? It can certainly not be the case that they were enamoured of its main concrete proposal for the Disraeli-Churchill-Mussolini programme of 'Shareholder Socialism'. Only a few months previously Mr. Bevan had explicitly condemned this conception (quoted in *The Times*, 30.7.57):

> I do not think it a good idea that a Socialist state should have shares in a private concern. . . . I believe that the right thing to do is to have a very substantial extension of public ownership.

It may be conjectured, therefore, that other considerations may have led to this somewhat surprising acceptance of the Gaitskell formula.

Arguments of Expediency

What may have been these considerations? First, the aim of unity. Mr. Bevan and his colleagues may have felt that to have divided the Executive on this issue and come out in public opposition to the central policy of the Executive majority would have split the party. Bitter experience had previously indicated that any such public opposition would be immediately followed by a virulent campaign of official propaganda and capitalist press clamour denouncing Bevan as a 'splitter' and 'wrecker' for 'personal ambition'. Second, the document bears certain signs of a would-be compromise, however poor. As Driberg's half-hearted apologia in *Reynolds News* has suggested, Bevan and his colleagues may have sought to reassure themselves with the belief that the absence of any reference to any specific proposal for new nationalisation, and the vague suggestions of possible action in possible circumstances, would leave the hands of a future vigorous Labour Government free to treat the document as a blank cheque and embark in practice on any project for nationalisation or action against the monopolies.

Dividing the Left

Subsequent experience must have abundantly shown by now that both these considerations, if they were entertained, were ill-founded. The document has not provided the basis for unity. On the contrary, it has led to the most violent division of opinion and sharply aligned controversy since the issue of German rearmament; and the battle is healthy. The only effect of the signature of the seven constituency members of the Executive in endorsing the document has been, not to unite the party, but to divide the Left. For it is precisely

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the wide body of left opinion in the constituency parties and in the trade unions that is most hostile to the document.

Fallacy of the 'Blank Cheque'

On the other hand, the suggestion that a Labour Government will utilise the absence of specific commitment in a programme in order to advance in practice far beyond it in a radical direction flies in the face of all experience. On the contrary, the general trend of experience shows that it often requires considerable pressure to compel a Government even to carry out the pledged items of its programme; and such pressure is not always successful. It is explicitly laid down as a part of the constitutional structure of the Labour Party that neither the Parliamentary Labour Party nor a Labour Government is bound by Conference decisions. A demand for more radical measures than contained in the programme, especially in the highly controversial direction of new nationalisation (additional to the recognised commitments of re-nationalisation), would be more likely to meet with the plea of 'no mandate' than with the attempted justification that the vague generalities or silence of the official programme have provided a 'blank cheque'.

Re-Uniting the Left

For this reason, nothing is to be gained by running away from the battle today on the grounds that 'it will be all right on the night'—after a new Labour Government has come to power. If it is desired to stop the retreat from socialism and to extend nationalisation, the battle has to be fought today and at this year's Conference. For this purpose it is essential to refer back the present draft, and to compel the preparation of a new draft which shall contain specific projects for new nationalisation. The official demand of leading trade unions for the nationalisation of their industries provides the basis for such a platform. The alliance of such unions with the constituency parties and M.P.s desiring to stop the retreat from socialism provides the basis for victory. This fight is of central importance at the present stage. The strongest unity of the Left is needed for its victory. It is therefore to be hoped that the Bevanite members of the Executive, even if they are tied from active participation as a result of their endorsement of the policy of the Right, will not allow themselves to be used as spokesmen for the Right, but will give such indirect help as they can for the victory of a progressive policy.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Class Content of the Battle

The battle for the future of labour policy cannot be separated from the living realities of the current economic and political situation and the present offensive of the Tory Government and monopoly capital. The alignment which is conventionally presented in terms of 'Left' and 'Right' needs to be seen with clarity in its class content. The Labour Party has been described as a coalition of the organised working class, as represented by the trade unions, and the petty bourgeoisie (including the older reformist trade union bureaucracy associated with the petty bourgeoisie), with the petty bourgeoisie in the dominant leadership. Such a coalition could function with a certain measure of success during the Third Labour Government, when important reforms could be carried within the framework of capitalism, and the nationalisation of basic auxiliary industries, which had in large measure become neglected, backward and even unprofitable under the old forms of private capitalist ownership, corresponded to the interests of monopoly capitalism. But this measure of harmony could not last. The acceptance of the major policies of monopoly capitalism, of imperialist policy, the cold war and rearmament, wrecked the social advance in the later stages of the Labour Government. The engines were reversed, and the attack turned on the standards of the workers, with the wage freeze and cuts in the social services. The Labour Government gave place to the Tory Government, which has carried through the most vicious policy of reckless expansion of the gains of the capitalists and landlords at the expense of the people.

Two Paths

This new situation, which reflects the deepening of the crisis of British capitalism, has undermined the partial harmony of the old Labour Party coalition, and brought out with increasing sharpness the class alternatives and the consequent choice between two paths. In this situation the petty bourgeois policy of co-operation with capitalism moves over to the open repudiation of the old aims of socialism and common ownership enshrined in the constitution as no longer compatible with the new conditions. On the other hand, the reverse process takes place in the working class. The sharpness of the offensive of the capitalists and the Tory Government stimulates the militant trends in the working class, especially in the strongest organised sections of the industrial working class, and also in the local sections of the Labour Party. Hence the battle between Left and Right develops to new intensity on a wide variety of issues.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

This confrontation comes to a head with the document on the future of industry, because here the class division is most sharply expressed. The policy of the petty bourgeoisie, of the so-called 'New Thinkers', for the retreat from the aims of social ownership to liberal reform capitalism, has to be presented in a form to endeavour to conciliate the new militant trend in the working class. This is the dilemma of the present dominant leadership. Hence the peculiar character of the Report, which seeks to cover up the real retreat behind the presentation of a miraculous 'new' short-cut for the permeation of capitalism by the acquisition of shares in place of nationalisation. But the Report, so far from solving the dilemma of the Gaitskell leadership, has only opened the floodgates of new controversy and fanned the flames of the Left revolt.

Trade Unions Into Battle

It is in this situation that the trade unions have moved anew into the vanguard of the battle. The relative passivity and official class co-operation of close on three decades has given place to a series of major industrial struggles. These struggles have borne fruit. From 1948 to 1954 inclusive every year has shown the official index of wage rates lagging behind the official index of retail prices. Only from 1955 to 1957, with the full repudiation of the wage-freeze and the launching of militant industrial struggles by the unions, has this unfavourable tendency begun to be reversed. Alongside this, the balance of forces within the unions has moved in a progressive direction. This has been conspicuously shown in the decisions and votes of the Trades Union Congresses during these recent years, in the role of last year's Congress in forcing the issue of Suez, in the strength of union support which made possible last year's election of Bevan as Treasurer, and in the new role and progressive advance of the Transport and General Workers Union, with the generally militant expression of its new Secretary, Frank Cousins.

Government Offensive on the Unions

Hence the whole weight of the Tory Government's offensive is now more and more openly turned against the trade unions as the main enemy. Cajolery has begun to give place to threats. In the millionaire press Cousins displaces Bevan as the favourite bogey man. Systematic intervention in trade union elections with all the resources of the mass circulation press, broadcasting and television is organised in order to defeat militant candidates (Communism in the unions being presented as the parallel bogey to Cousins) for the

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

benefit of those considered 'safe' because anti-communist. The financial press and Conservative organs of opinion (*Financial Times, Economist, The Times, Observer*) publish portentous articles by economic experts to prove the necessity, in the name of increasing production, to restrict credit and production and create a pool of unemployment in order to curb the unions. After vain attempts to inveigle the T.U.C. into some kind of new Joint Council, the Tory Government sets up the Cohen Committee as an 'independent' 'impartial' committee of three representatives of the big bourgeoisie to pontificate on prices, production and incomes. This step is gleefully welcomed by the *Economist* of August 17 as the first step to open war on the unions, since it has been set up 'despite trade union opposition' as 'a body irritant' to the unions. 'The change is in the direction of being willing . . . to annoy the trade unions'.

Inflation and the Unions

To provide the artillery barrage for this offensive a well-orchestrated and unscrupulous propaganda campaign is let loose on the subject of inflation. The present creeping and accelerating inflation, with the ceaseless rise in prices of all the necessities of life and fall in the value of the pound, hits hard all except the spivs and big profiteers, the top circles who are raking in fortunes on an unparalleled scale from the appreciation of their capital, and who are busy salting away their gains through a variety of escape outlets (including Kuwait and Hong Kong) into hard non-sterling currencies of the mark and the dollar, and thereby accelerating the depreciation of sterling. What more brilliant device than to throw the blame for this hated and unpopular inflation, caused by the policy of the Government and the big profiteers, on to the trade unions and the hard-won wage increases of the workers? All official society, from the Prime Minister—in the intervals from his costly grouse-shooting—to the lowliest journalistic hack or 'economic expert' bore on the B.B.C., sings the same tune with wearisome iteration. Blame the trade unions. Blame the workers. The wage-inflation spiral is strangling us.

Guilty Men

Unfortunately for this propaganda, the facts prove otherwise. The illuminating article on inflation which we print in this number demonstrates the development of inflation as a concomitant of monopoly capitalism over the more than half a century of its exist-

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ence. If high wages were the cause of inflation, and low wages its cure, then France, where the level of real wages is half pre-war, should be a paradise of strong currency, instead of being the most racked by inflation. The Tory Government cannot escape its short-term responsibility through its policies of reckless decontrol and gifts to the rich, alongside of waste of Britain's resources through adventurist overseas policies and an arms burden exceeding the level of that of any other major nation. That wages have had to chase rising prices has been the experience of the workers over the whole period since the war. Even if we take only the period of the Macmillan Government, during which the militant action of the workers has been able to regain a little lost ground by wage increases, the volume of wage increases won by the workers is far below the volume of capital gains through appreciation of shares.

Wages and Capital Gains

For the first half of 1957 the Ministry of Labour recorded wages increases of £3,720,200 a week, equivalent to £96·7 million for the 26 weeks. The record of previous years shows that this figure should be multiplied by 2·2 to give the total of all increases. This would give £213 million for the total of wage increases in the first half of 1957. During the same half year the profits of companies listed by the *Financial Times* increased by £85·8 million on the previous year. The *Financial Times* index of Ordinary Shares rose from 178·2 at the end of 1956 to 203·9 at the end of June, 1957, a gain of 14·4 per cent. The total value of quoted Ordinary Shares at the end of 1956 was £9,116 million. Thus capital gains on Ordinary Shares during the first half of 1957 were £1,312 million. During the same period the Government Securities Index fell from 84·1 to 82·66, equivalent to a loss of 1·4 per cent. The total value of British Government Stocks at the end of 1956 was £14,717 million, so that the loss would be £205 million. Thus the net gain on stocks and shares during the first half of 1957 was equivalent to £1,107 million. Hence, during the first half of 1957, under the Macmillan Government, profits and capital gains showed a net increase of £1,192 million, as against an increase in wages of £213 million. The increase in profits and capital gains was more than five times the increase in wages.

Trade Unions and Overtime

It is not surprising that in this situation the trade unions are resisting the Government offensive. They refused to be inveigled into

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the new Joint Council on prices, productivity and wages proposed by the Government; and the Cohen Committee had to be established without them. They have resisted the demand to abandon the fight for increased wages in the face of rising prices. In the current series of trade union conferences unions totalling five million members have adopted decisions to table demands for increased wages. Alongside this has developed the campaign for the 40-hour week, for which nineteen unions have adopted resolutions. The question of overtime is at the heart of the present wage and union problems. The nominal gains of the shorter working week since the war have been wiped out by systematic overtime. Hours worked are now longer than before the war. This actual increase of exploitation is concealed from view in the literature of capitalist apologetics and reformism by citing the increase of earnings based on overtime as a proof of improved conditions. As soon, however, as any interruption takes place in boom conditions of overtime, the real measure of wage rates is revealed as the decisive measure. A statistical survey in the London and Cambridge Economic Service has calculated that 'if allowance is made for the increase in the average number of hours worked a week, an index of real earnings an hour is obtained which for each of the years 1954 to 1956 would be about three points lower' than in 1950 (average hours worked weekly in 1950 were 47·3 and in 1956 had risen to 48·6).

Battle against Overtime

The flood of letters received in our Labour Discussion Forum on the vexed problem of overtime has shown how deep and widespread is the feeling on this issue, alongside the sense of the difficulty of tackling it except by strongly organised collective action. Systematic overtime falsifies the whole relation of wage rates and earnings, and leaves even the present standards won by the workers on the most precarious foundation. The hunt for overtime to make up inadequate wages to a living basis, in place of fighting to increase wage rates to a living standard on the basis of the shorter working week, disrupts trade union solidarity, and sets every worker competing with every other worker to make up his own individual wage packet. Heavy overtime (and the average figure of increased weekly hours for all workers, including those on fixed hours or short time, conceals the extremely heavy hours actually worked by many sections) retards the cultural and political development of the workers. The exhausted worker has little energy left for trade union affairs or political meetings, and is more ready to accept as

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

adequate the passive relaxation of the television set his overtime earnings have acquired. It is therefore the more welcome that the Confederation of Shipbuilding and Engineering Unions at its Conference in August has coupled the question of the 40-hour week with the question of limiting overtime. In the words of the Presidential Address:

> We are determined to deal with the problem of excessive overtime. Deluded members think they get a comparatively good week's wage for a week's work, whereas in fact they are getting a week's wage for a week and a half of time spent in the workshop.
>
> If the employers really want to ensure that a shorter working week is not just a way of getting increased overtime earnings, the Confederation will gladly discuss limiting overtime with them.

These are surely words well worth following up.

Trade Unions and Politics

Even more significant at the Conference was the vigorous initiative shown on political issues and on the role of the trade unions in the Labour Party. The same Presidential Address of Mr. Brotherton—a trade union leader who has never been accused of extremist views—took a firm stand against the anti-communist campaign in the unions:

> We have allowed ourselves to be persuaded into spending a great deal more of our time in combating the unrighteousness of Communism than the proved evils of capitalism.

He continued with a direct statement in relation to the coming Labour Party Conference and the Report on *Industry and Society:*

> Some of us have lived a lifetime expecting always that the Labour Party would not only propagate socialism in words, but would take considerable political risks in order that private ownership of the means of production should be eliminated. . . .
>
> I hope our comrades in the political field will not be gulled, and will remember for how many years we have jointly talked of the necessity for nationalisation, and, for instance, how specially obvious it is that the aircraft industry and the machine-tool industry are already overdue for public ownership.

These words will win an echo among all serious trade unionists and Labour Party members.

A Direct Call

Still more explicit was the call of the Confederation Secretary, George Barrett:

> Certain professional politicians may like a subtle approach to nationalisation; but the straightest and best way in the end is the honest approach.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

He said that he was 'gravely disturbed' by the Labour Party Executive's policy statement on industry, which 'suggested that Labour should take part in the very activities for which the movement had criticised private enterprise':

> I don't consider that this is socialism. I don't think we should be ashamed to tell the movement of our aims in this matter.

Then came the direct call to the delegates of the three and a half million members in the Confederation to campaign within the Labour Party in order to defeat the Report at the Conference and win the day for the aims of extended nationalisation and the advance to socialism:

> I hope the delegates here will go back and as far as possible try to persuade the constituency people in the Labour Party.

Verb. sap. The fight goes forward to the Trades Union Congress and the Labour Party Conference.

August 19, 1957. R.P.D.

FRED HENDERSON

(February 25, 1867—July 18, 1957)

We pay tribute to the memory of Fred Henderson, honoured pioneer of the British Labour movement, a disciple of William Morris, agitator, propagandist and poet. For his activities in leading the unemployed, as a member of the old Socialist League, he was in 1887 imprisoned in Norwich, of whose City Council he was fifteen years later the first Socialist member and fifty years later its Lord Mayor. His 'Case for Socialism' published in 1911 became a handbook of socialist agitation and was translated into the main languages of Europe. In his ninetieth year he wrote for this magazine 'British Labour and the Soviet Union' (published April, 1956) as a valedictory message to the movement which he had done so much to build: the final words were: 'the place of the British Labour movement, if it has any understanding of loyalty to the faith and purpose for which it was founded, is with the Soviet peoples.'

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SHAREHOLDING OR SOCIALISM?

MARGOT HEINEMANN

THE Labour Party Executive has recently published two statements on the future of public ownership as a means towards achieving the ultimate ideals of socialism. *Public Enterprise*, a review of the existing nationalised industries, concludes that the main criticisms made of them 'even among convinced socialists', are by no means well-founded (p. 56), and that no 'radical changes in either the basic structures or the general policies of the nationalised industries' need now be made (p. 25). *Industry and Society*, analyses the structure of British industry and how it should be altered by the next Labour government to 'reduce unearned income and . . . the division of society into privileged and under-privileged classes' and to 'make the exercise of economic power accountable to the nation'.

The most striking point is that while still proposing that steel and road haulage should be re-nationalised, other industries scheduled for nationalisation in previous Labour policy statements—sections of the chemical and machine tools industries, cement, sugar and water supply—are no longer mentioned by name. That left-wing members of the Labour Party Executive, including Aneurin Bevan, have nevertheless signed this statement makes it the more necessary to consider the main argument carefully and to see where it breaks down. The opening part of the statement is now well known: the picture of 500 'large firms' dominating the economy, run by high-salaried directors (with high expense accounts) with their own interests as against those of the now parasitic shareholders; the consequent divorce of management and ownership, so that it no longer matters who owns—as far as control goes; the private ownership of shares, with continuous capital gains to the shareholders in these firms, so that there is growing inequality of wealth in spite of taxation sleight of hand to redistribute income from the rich to the poor. This unfortunate effect of private ownership (the sole reason for it from the rich man's point of view) could be reduced, says the Report, if the state took a share in the equity capital* of the successful firms, 'the community' thus sharing in the capital gains of the giant capitalist trusts.

As for directors and managers, despite a certain bad tendency to high living at the firms' expense, they are on the whole doing a good job. 'Their concern is with production as much as with profits and with expansion far more than with dividends' (p. 16-17). Apart from the few black sheep, they should be let get on with their work.

* i.e., the ordinary shares, whose dividends vary with the prosperity of the company.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

> The Labour Party recognises that, under increasingly professional managements, large firms are as a whole serving the nation well. Moreover, we recognise that no organisation . . . can operate effectively if it is subjected to persistent and detailed interventions from above. We have, therefore, no intention of intervening in the management of any firm which is doing a good job (p. 48).

Since, however, these Boards of large firms exercise vast power without being responsible to anyone, it seems only decent that some form of more definite public accountability should be sought to ensure that they conduct their affairs 'in a manner which coincides with the interests of the community'. The Report is entirely vague, however, on how to bell the cat, or rather, the tiger—perhaps the Companies' Acts could be reviewed? The extreme sanction of nationalisation or controlling ownership of shares by the government is reserved for a few incorrigibles who are proved to be 'letting the nation down' through inefficiency or unjustified monopoly restrictions.

The practical proposals which emerge are:

1. To use economic controls, such as those of post-war Labour governments, to ensure that firms' policies 'coincide with the public interest'. (A further report on these controls is to be issued later.)

2. Where an industry appears to be 'falling down on its job', there should be a full government enquiry before action is decided (because 'the facts simply are not available to an Opposition party'.) If the case is proven, various solutions may be tried—*e.g.*, denouncing particular restrictive agreements or voluntary measures proposed in Working Party reports. Where problems are insoluble without major reorganisation and change, 'nationalisation of industry or buying up the shares of a firm may or may not be resorted to'.

3. The state will acquire ordinary shares (at ordinary Stock Exchange prices) by allowing death duties to be paid in shares; by investing the National Superannuation Fund in equities; and out of Budget surpluses. The state may also finance new ordinary capital for expansion. These measures will not aim at securing control, but only at a share in profits.

4. The tax provisions which affect directors and managements should be reviewed.

It will be seen that there are obvious fallacies in this argument. It is simply not true that directors of large firms are concerned 'as much with production as with profit'. Owing to concentration of surplus value in fewer hands and changes in taxation policy, much of surplus value extracted from the workers is no longer called profit, but is eaten up in vast directors' and management salaries, expenses and so on: this does not make it the less surplus value. The interests of big investors as a group are, however, looked after. As the Report says, banks, insurance companies and financial institutions now do much of the

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

investing, and if they think a company is run detrimentally to investors' interests they can and do intervene. One may recall, in the pre-war period, how bank finance to Richard Thomas was cut off when it threatened to use its new plant to undercut monopoly prices and its management superseded: or in the post-war period, how the Prudential and other shareholders intervened to remove the chairman of B.S.A. and subsequently absorbed the company. However, since big financial institutions work in co-operation with managements (in very many cases the same men are directors of both), such extreme measures are rarely needed. Whilst this whole maximum immediate dividend for shareholders is not the main concern of the finance oligarchs, extracting maximum surplus value over a period certainly is (although they have an interest in increasing the proportion used for their own benefit). The change in relations within the capitalist company does not alter the fundamental conflict between the interests of the capitalist class and those of the nation (though it may lead smaller capitalists to see that their best interests lie in developing production in the people's interests). The Report stresses that Boards of the 500 great companies are 'professional, autonomous bodies, self-appointed and self-perpetuating'—an oligarchy as remote from democratic control and far more powerful than any in history. Once we stop kidding ourselves that the policies of this self-appointed gang are dictated by some more subtle motive than extracting surplus-value, and maintaining the strength of their firm and the stability of the social system to make this possible, it is plain that the control of our whole economy by a handful of big business tycoons is intolerable and against the interests of the people.

'The large firms are serving the nation well.' This idea is the pivot of right-wing policy. 'Nothing much is wrong with the industrial system anyway, so why make changes?' How is the record of these firms measured? Do we conclude 'they are doing a good job' because for the time being the wheels of industry are turning and many workers, by working long hours, can obtain a standard somewhat above pre-war, while only the old people on benefit, the busmen, the railwaymen and a few other sections are worse off? This is no standard for socialists, even if it were certain that full employment would continue indefinitely. We should measure rather by the *potential* standard of living and industrial achievement, denied to our people by private greed. By this standard control by 500 large firms is *not* doing a good job—not even in comparison with other capitalist countries such as America and Germany let alone in the Soviet Union or China.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Consider, for example, housing—where capitalist industry is certainly not 'attuned to the public interest' in building cheap homes. Take cement where very big firms are involved, and where monopoly restriction notoriously determines not only price policy but the amount and type of production, preventing more economical qualities being brought into use. Is it not clear that industry organised for extracting surplus value—by full-time professional managements, and all that—is against the popular interest? Yet here is an industry previously scheduled for nationalisation, now removed from the list. Take again, chemicals, a key industry for the future. The efficiency of a big company like I.C.I. may look staggeringly impressive if you compare it only with the older industries built up in a pre-scientific age, such as textiles or farming or coal, which this highly-monopolised industry has long been able to squeeze in its dealings (buying coal cheap and selling dyestuffs and fertilisers dear). But compare it rather with its capitalist rivals, such as Duponts or I. G. Farben, and this 'efficiency' appears inefficiency. In research and development the British trust lags well behind what these *have* achieved, far more what *might* be achieved. Such firms, sitting on the whole vast potential wealth of the human race, have and can have no coherent policy for developing it to the people's greatest advantage. They live from hand to mouth, their decisions dictated not by the scientific or planning departments but the sales department and the interests of finance.

The complacency of 'most of the large firms are doing a good job' rests on the fact that since the war continued capitalism has not yet led to mass unemployment. But comparatively little of the actual and far less of the potential increase in wealth has gone to raise either wages or social services. Full employment, long hours, higher productivity, huge profits and luxury for a handful: but schools are still more overcrowded, old people still live on the edge of hunger, and millions in railways, transport, docks and elsewhere are compelled to forego leisure and normal family life just to earn a living wage in face of rising prices. For the majority, life is still drab and humdrum. The future, the training of a new scientific and cultured generation able to use the vast new techniques within mankind's reach, is being mortgaged. The change from capitalist to socialist industry, therefore, cannot be a mere transfer of scrip from sleeping shareholders to an equally somnolent shareholder state. A business must either be run in the interests of the capitalists or the people: it cannot be for both.

Socialism means a change in class power: industry run solely to produce the maximum of benefits for the people, instead of surplus value (however divided). All experience since 1945 proves that the

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

power of the small group of people who really control our economy cannot be broken merely by taxation modifications or altering the Companies Act. On the contrary, if the exclusive 'self-elected' and 'self-perpetuating' capitalist leaders retain control of the industries, it will be their nominees as state controllers who will run the nationalised industries, the policies of which will be steadily assimilated to capitalist standards and motives. (Witness how the National Coal Board was recently reorganised on lines recommended by Fleck, chairman of I.C.I.) There will be no central positive forward planning of the economy for the peoples' benefit, no real thrift in using scarce resources to ensure that investment goes where it is most needed to help living standards to grow. Military orders will continue profitable. Such a society will carry within itself the danger of economic crisis. The 'private sector' of the 'mixed economy'—the oligarchy controlling the 500 big firms—will use their power to influence opinion (a power vastly increased now with T.V.) to sweep away any controls that seriously inconvenience them.

The first reaction of the Labour movement to the two statements has been unfavourable. *Tribune,* for example, sharply opposed editorially the whole line of the proposals (although Bevan and other Bevanites shared responsibility for drafting them):

> Labour's claim to be a socialist party could be hooted off the stage in a gale of derision. . . . After five years . . . the Labour Government would be still at the mercy of the capitalists. Instead of the state owning industry, industry would be owning the state.

In the same issue Ian Mikardo explained why he signed it. He argued that whilst not committing the next Labour government to take over anything it also does not commit it against. A left-wing government could treat it as a mandate to take into public ownership the 500 large companies. The techniques of acquiring the shares of key firms might prove simpler and more flexible than nationalising whole industries. Mikardo may well be right for some industries about the technique; but that is a minor matter compared with the great issue—the *retreat* in the Report from full state ownership and control of key points in the economy. If it represents a compromise between Left and Right on the drafting committees, it is a bad and unprincipled compromise, which often reads as if the Left had been let draft the analysis while the Right drafted the conclusions.

The hard fact is that if the National Executive Committee can get this report accepted by Conference, they will have got endorsement for the essentials of the right-wing view that has held back British Labour for generations: that Boards of big monopolist firms are quite

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

competent to run industry; and all the 'socialism' necessary is for the state to share in their high profits, by share purchase and modification of taxes (as if any professional management worth their salt couldn't find a way round that through higher prices!), and to take responsibility for any hopelessly unprofitable and backward industries which are a drag on the capitalists themselves. A government which seriously means to introduce socialism—to plan production for the sole end of human welfare and to end for good the contrasts of wealth and hardship which shame our society—must as rapidly as possible take over, not the whole economy (which is unpracticable technically and would tend to ally all the 'small men' politically with the monopolists) but its commanding heights, the 500 large firms.

True, to nationalise whole industries may not always be the simplest method. Nationalise I.C.I. and such a government could afford for a time to go easy about smaller fry in the industry. There would be a strong case for smaller engineering firms to continue making parts and equipment as long as the major centres of machine-building and capital equipment were owned by the socialist state. In the consumer industries especially co-operatives could play a much greater part. It is the centres of economic, and hence of political, power that the government must aim to take over entirely. Whether an industry is nationalised, or key firms only acquired by the state, the model cannot be (as the two Reports assume) the industries already nationalised, without any radical change. If there is limited enthusiasm for extending nationalisation, it is because these industries have been run to suit the profit of capitalism as a whole by men with a capitalist outlook; because they have not acted as pacemakers and model employers in dealings with workers, but have resisted improvements and enforced 'economies' at the workers' expense as tenaciously as private firms; because they have compensated former owners so heavily and continue to pay so much interest on current capital development that they are crippled financially; because they resist enquiries by Parliament or trade unionists into their working with bureaucrats' arguments.

All this needs to be changed in a real socialist policy for industry, with improved workers' conditions as a first charge, to make them something very different from the great machines we know now as the National Coal Board or the Central Electricity Authority. A government working on these lines might well have recourse to some techniques suggested in *Industry and Society* to control the great number of smaller companies and less decisive industries which would remain temporarily in private hands. But tax reforms are no substitute for a socialist state owning the main centres of economic power.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NOTES ON INFLATION

A STUDENT OF AFFAIRS

MR. HAROLD MACMILLAN, the Arran crofter's grandson, puffed-up till he became the duke's son-in-law, has been talking much about 'inflation': and when Prime Ministers utter, the sages, hired for the purpose, mutter in unison—not only mutter, but growl in their clubs, pontificate on the B.B.C., posture on T.V., fulminate in the daily newspapers, scribble in the Sunday press, until everyone knows this gospel, that 'you can't get a quart out of a pint pot' and that 'it's these workers, with their wage demands, that push up the prices'. Why does the Prime Minister do it? Rabbled by his own fixed-income supporters inside parliament and outside, who ask why the Government takes no steps to meet their shopping hardships, he hastily threw an increase of salary to ministers, to under-ministers, highly placed civil servants, heads of nationalised boards and Her Majesty's judges: and to the others he threw not money but words, words about inflation.

Why then does he 'utter this grave warning' about the danger of inflation ? For two reasons, first to lay the blame for rising prices at the door of the organised workers; second to pretend that inflation is an inevitable process, a natural process like thunderstorms, about which the Government is helpless indeed but is as much concerned as anyone else. Neither of these reasons can hold water. First, it is not wage increases that cause inflation: on the contrary, wages are nearly always chasing prices. Second, inflation is neither inevitable nor is the Government helpless to do more than utter agonising appeals in face of it: on the contrary, the blame for inflation lies at the door of the Government. Thus Mr. Macmillan, inveighing against inflation is like Satan rebuking sin and recalls the familiar story of the market robber who diverts attention from himself by shouting 'stop thief'.

But though the postures and preaching of the Prime Minister may be hypocritical and unreal, the rise in prices is real enough, as we all know to our cost. So we must consider what has brought it about, and how it operates (that is, *how* we are robbed), and finally who is responsible. Then only we can find a way out of it.

Inflation which literally means blowing up the balloon (as deflation means pricking the balloon) has been defined as an abnormal increase in the quantity of purchasing power. Inflation is accompanied by a fall in the value of money per unit. The fall in the value of the pound

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sterling which is the unit in our case is known to every housewife: and the detailed figure of the fall in purchasing power of this piece of paper marked £1 is regularly disclosed in parliament.

But the story of inflation, the fall in the value of the pound sterling goes back much further, indeed to sixty years or so ago, to the turn of the century. It goes no further back; and any attempt to suggest that there has always been inflation is mere nonsense. In point of fact there have been, so far as we know, only two main periods of a steep and long-continued fall of the value of the pound. The first was in the later times of the Tudor dynasty, the second was during the years of this present century. The first brought a three-fold rise in prices generally (in some items a nine-fold rise or more), and, as records show, during the lifetime of William Shakespeare, the real wages of the craftsmen were tumbling down. It was followed by the English Revolution of three centuries ago. The second period, in which we are living, has in less than three generations brought a more than four-fold rise in prices generally, so that the £ sterling of sixty years ago is now less than a quarter of its value.

The facts of the Tudor period inflation are given in the History of Prices edited by Lord Beveridge. The facts of this century's inflation have been calculated more than once: a recent article in *Economica* by Phelps-Brown gives the salient figures for seven centuries up to 1954. The following table records the fall since the years before Joe Chamberlain intervened in colonial matters.

Year	*Rise in prices*	*What the £1 is worth*
1890-1899	100	20s.
1913	118	17s.
1919	240	8s. 4d.
1920	287	7s. 9d.
1923	202	9s. 9d.
1928	191	10s. 6d.
1938	180	11s. 1d.
1946	277	7s. 2d.
1950	333	6s.
1951	365	5s. 6d.
1953	410	5s.
1956	457	4s. 4d.
1957 June	473	4s. 2d.

(From retail prices 1890-1938, in Prest 'Net National Income of United Kingdom' in *Economic Journal* of March, 1948: spatchcocked on to London and Cambridge Economic Service Series, 1938, onwards: see also *Hansard* of April 1, 1957.)

So the £ sterling has fallen to less than a quarter of its purchasing power in the last sixty years. What is this sixty years? It is pre-

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cisely the years covered by the arrival of the trusts and their dominating position within capitalism. By the turn of the century the transition from the old competitive capitalism to monopoly capitalism was complete. Monopoly capitalism, the economic essence of imperialism, the final stage of capitalist society that brought our epoch of wars and revolutions, also brought the rise in prices, 'the high cost of living', the leap of 18 per cent in the years *before* the First World War. But the next significance of the table is the increasing speed of the fall. From the nineties onwards to just before the war of 1914-18, the rate at which the pound fell, though significant, was less than one per cent per annum. Between the wars the speed of fall increased; it varied from $1\frac{1}{4}$ per cent to just under 2 per cent according to import prices and economic activities (cheap money, arms programmes, etc.); but was still under 2 per cent per annum. The acceleration since 1938 and notably in these last ten years of cold war and a sundered world market can be shown thus:

Decline in value of £ sterling

Years	*Decline per cent*	*Annual rate per cent*
1938-1946 (War depreciation)	35	3·9
1946-1951 (Depreciation during Labour Government) ..	24	4·0
1951-1957 (Depreciation during Conservative Government	22	3·7

Note 1. The 'Labour depreciation' was partly due to shortage of goods, at any rate in the early stages, and to 'imported inflation' as follows:

Import prices: 1938=100	*Cost of Living 100*
1946 101	154
1950 333	185
1951 443	203

Note 2. 'Tory depreciation' due partly to taking off subsidies, to 'freedom' which meant escape of capital and unplanned investment and speculation (equity share values rose 1938=100 to 155 in 1951; to 215 in 1955; at present about 220) and to arms spending; and the credit squeeze, and cut back of output of consumer durables. Import prices fall to 381 in 1954, i.e., a fall of 14 per cent from 1951 or a saving on 1954 level of imports of £470m: they have since risen to 418. The stickiness introduced by price rings is an important factor in shoving up prices.

Who gains by inflation? Those who exert economic pressure. Who loses? Those who have fixed incomes. In the long run everybody loses but then, if it stopped now!—Every drunk knows the feeling. But in the short run, the classes of society gain or lose according as their income or the capital value of their possessions

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

does or does not keep pace with the fall in the value of the £ sterling. Those who lose most are pensioners and others living on fixed incomes, the hardest hit being the several million old age pensioners. Those who gain most are a section of shareholders and business men generally, business men who live currently from day to day from the margin between selling prices and expenses: those who have property (which goes up in value as the £ falls) and the active speculative capitalists who take advantage of the hidden changes in the profit—hidden by the £ appearing the same—but who hope to make a 'kill' in capital (untaxed) gains. These sections of the capitalist class resist the attempts of the working class to raise wages to keep up with the rising price level: and they are often successful in enforcing a time-lag before wages can catch up. By trade union action however the workers try to keep abreast, keep up their real wages; and may even temporarily (though this is unusual) get a little bit ahead. But in the main, it can be said, inflation (the rise in prices, the fall in the pound) spells robbery of the mass of the people.

There are two obvious ways by which the rich can grind the faces of the poor, by which capitalists can force down the standard of living of the working class. The one is to cut wages, the other is to raise prices. The one is Prime Minister Baldwin's recipe of 1925—'all the workers have got to take reductions in wages to help put industry on its feet': the other is the modern and still more sweeping recipe: 'all price levels to go up'.

Now the present Prime Minister, however inflated he may be personally does not urge inflation: on the contrary he publicly deplores it, requesting shareholders not to take more profits and workers not to ask for more wages. His government 'freed' the economy from planning: set the speculative crusader free to loot; and free to export his loot. Macmillan, not the Bank of England, in his last speech, appears willing enough to let things rip. Well—as Cousins says, if so, we are all in it.

But it is his government that is mainly responsible for the continued inflation by the abnormal and excessive purchasing power which it exerts through its arms programme. The consumption each year of £14,000,000,000 on the arms programme is the main cause of the continued rise in prices. The bombers in Oman in July and August, the nine years war 'emergency' in Malaya, the operations in Suez, Kenya, British Guiana, Cyprus, and other overseas expenditures all go to make prices rise, as does the preparation of atomic weapons at home. There then is the main responsibility for inflation,

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

KARL MARX

1818 - 1883

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CAPITAL

Ninetieth Anniversary

'*IT is the ultimate aim of this work to lay bare the economic law of motion of modern society.*'—*Marx's Preface to* Capital.

'*The investigation of the relations of production in a given, historically defined society, in their genesis, development and decline—such is the content of Marx's economic doctrine.*' —*Lenin on* Karl Marx

First published 1867

First English translation 1887

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

right on the doorstep of No. 10, Downing Street. The first step to stop inflation therefore is for Mr. Macmillan to cut down his Government's excessive arms consumption of effort, labour, materials, releasing its abnormal quantity of purchasing power, with no corresponding goods manufactured.

But it is only the first step. There is much more to it than that. Inflation today no longer follows the simple pattern of that runaway inflation of the German mark from 1918 to 1923 with which frightening example Snowden and Macdonald in the 1931 General Election sought to scare the electorate away from voting Labour. Inflation today is a much more complicated business and may require many other steps in addition to cutting the arms programme.

FROM THE *LABOUR MONTHLY* OF 25 YEARS AGO

SIX MONTHS BEFORE HITLER SEIZED POWER

The economic basis of the advance to an open Fascist Dictatorship, the foundation upon which has developed the acute transition of the bourgeoisie to fascist methods of rule—such as is expressed in the displacement of the Bruening Government by the Fascist Papen-Schleicher Government—is the further accentuation of the economic crisis and, connected with it, the terrific sharpening of the class struggle. The Papen Government quite openly announced in its declaration of policy that it 'demands gigantic sacrifices from the people'. The reactionary social administration which preceded it is characterised as 'State Socialism', and its politics are called 'welfare' politics. With such words—which must appear to the hungry, over-taxed millions as a piece of derisive insolence, a capitalist offensive against the toilers of hitherto unparalleled brutality is inaugurated by the ruling class.

The *Berliner Boersen-Zeitung*, a journal of finance capital, which stands very close to the new Government, writes: 'Certainly extreme want exists in some places. . . . This increasingly low level of existence is the only possibility for a revival of production and thereby for the lessening of unemployment. . . . More work and simpler life, this is the unavoidable fate for Germany'. (June 7, 1932).

It is hardly necessary to state what lies hidden behind this 'poetic' phrase; a new immeasurably increased campaign of robbery against wages and salaries. A terrific onslaught on all the benefits of the unemployed, the complete abolition of social insurance. In other words the strangling of all the rights of the working class and other toilers, the destruction of the workers' organisations, the transformation of Germany into a prison house of capitalist forced labour, militarised plunder and slavery.

From *On Our Strategy and Tactics in Struggle Against Fascism*, by Ernst Thaelmann, September, 1932.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CHINA FIRST SEEN

(Leaves from a diary, IV)

Saturday, October 6, 1956. En route for Shenyang (Mukden).

AT four o'clock we took farewell of all our Chang-chun hosts. As we parted, they gave to each of us a casket. Below its glass cover were six forked roots, of a whitish colour. I thought it was mandrake and wanted to ask if it had shrieked when torn from the earth; but I was wrong. It was gin-seng. This, our interpreters told me, yields an elixir. How? By steeping it for two years in brandy, or, alternatively, for five minutes in boiling water. They thought highly of it—and of much else in Chinese medicine handed down for over two thousand years. Indeed, Chinese medicine is about as old as the school of Hippocrates, whose oath ('I swear by Apollo, by the Healer. . . .') is still taken in Britain by our physicians and surgeons: and it developed a great array of simples and herbal compounds, as well as unique forms of surgery and medicine, called by the strange names of 'acupuncture' and 'moxibustion'. But, like Hippocratic medicine, it became overlaid by false theories (the 'four humours' abound in Shakespeare): what the Chinese physicians did was better than their reasons why, which were largely superstitions. I asked many questions about it on the journey; some they answered and for some I was promised a visit to an institute which had all the answers.

Peking, November 1, 1956

Tomorrow I go to the institute of research into Chinese medicine, which in this century had fallen into disrepute amongst the rich, who pay the high fees of doctors trained in the various schools of modern European medicine. The Kuomintang Government in the 'thirties even passed a resolution to abolish this traditional medicine, whose practitioners were nick-named quacks and charlatans, magicians and herbalists. But People's China took a different view. They had vast plans for public health. By whom were they to be put into effect? For in the whole of China, with its 600 millions there were only twenty thousand physicians trained in western medicine, while throughout the towns and villages were some 300,000 herbalists. Were these to be despised and rejected? No, they were called upon to help. It was partly by enrolling them in the public service and raising their qualifications that smallpox and cholera were eradicated

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from 1949 onwards, plague and malaria reduced. Now the western-trained are asked to study and prove what was good in the traditional medicine, fallacious as were its theories with their overlay of magic and astrology.

Peking, Friday, November 2, 1956

Dr. Sun Heng-lin of the Chang Kia Ko Medical School in Hopei province took me to the Research Institute, a few miles to the north-west, beside a big new hospital. There at 9.30 a.m. we met the deputy-director. He told us that some wards of the hospital supplied the needs of this research. In the institute, which began in November, 1955, were 24 western-trained physicians and 18 practitioners of Chinese medicine. There were the usual departments of medicine and surgery. With each patient the western-trained physicians (which does not mean that they have been out of China) make a thorough diagnosis. This done, the patient is handed over for treatment by Chinese medicine. Once a week a complete check is carried out by the Western-trained physicians. I asked the deputy-director, himself western-trained, whether he had been sceptical when asked to take this post. He replied that he had been completely sceptical about Chinese medicine. He said he would simply give me some results of the eight months in which the research institute had been fully at work. Dr. Sun, also western-trained, had told me on the way that the distinctive features of traditional Chinese medicine fall under three heads: (i) acupuncture or needling; there are fifty major locations of the body into which the needle may be thrust; and obviously, as Dr. Sun agreed, it must require great anatomical knowledge and skill; (ii) Moxibustion or local application of heat to the tissues, either by cautery (moxibustion literally means the burning of wormwood) or by caustics or by cupping; (iii) *materia medica* or pharmacology. Here follow the cases recorded by the deputy-director.

1. *Facial palsy.* Out of 34 patients, 22 had been cured by the method of acupuncture.

2. *Hæmorraghia cerebri.* Out of 8 patients, needling cured 6, alleviated one and on one had no effect. In the successful cases there was alleviation in one week; but the cure was not complete till from one month up to three months, because of blood pressure.

3. *Schizophrenia.* One patient only (and he had been violent) was now cured. Needling was used in 13 places; the main acupuncture was immediately below the occipital protuberance by a penetration of 5 centimetres into the cerebellum.

I remarked that the cure of one patient was of little statistical

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

value. 'Of course,' replied the deputy-director, 'but we know of the work done in a Hopei hospital where, though I have not the exact statistics, many have been in this way cured of schizophrenia. Moreover in Shanghai, Chinese medicine has proved 80 per cent effective in dealing with hypertension'. These three types of disease of which he had given me examples were now known to yield better results through traditional Chinese medicine than by other methods. He then gave an example of use of the old pharmacology:

4. *Trichomonas vaginalis.* Of 29 patients 20 were given Chinese treatment. Of these 20, 16 were cured, the treatment lasting on the average two months. Western treatment was not so successful. The treatment was pharmacological plus a local lotion.

He said that prolapsed rectum was often cured and always alleviated by *per anum* treatment with 85 per cent alcohol, 13 per cent *aqua,* 2 per cent procaine: and that similarly there was a cure for hæmorrhoids. I asked him about rheumatism: and was told that rheumatic disease was widespread, especially in the cold and windy north-west of China; but that cases of acute rheumatic arthritis had yielded to a pharmacological cure. Summing up, the deputy-director said that traditional medicine was purely empirical: any theories attached to it were antique and savoured of superstition and witchcraft. I was temerarious enough to remark that theories had varied a lot in Western medicine and that some of it seemed still purely empirical: but on this there was no discussion, probably because our time was up and translation, as always with technical questions, was proving difficult. On the way back to the city, Dr. Sun told me that there were now similar institutions for the study of traditional medicine in most of the big cities of China. Within twelve years, in his view, the two systems would be absorbed into one another and the distinction between Western medicine and traditional Chinese medicine would come to an end.

R. PAGE ARNOT.

LABOUR MONTHLY SUBSCRIPTION RATES: *United Kingdom, 12 months, 18s. post free; $3.00 in U.S.A. and Canada ($3.50 if first class mail); elsewhere overseas, 19s. post free.*

LABOUR MONTHLY BY AIRMAIL: *To non-European countries (including Hong Kong) except as below, post free: Single copy 4s.; a year's subscription 48s. To China (except Hong Kong), Australia, New Zealand, Japan and the Philippines, post free: Single copy 4s. 5d.; a year's subscription 53s. To Aden, Algeria, Egypt, Iran, Iraq and Syria, post free, 3s. 7d. per copy; a year's subscription 43s.*

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LIGHT ON KRUPP'S

D. N. PRITT, Q.C.

THE role played by the armaments industries of the Great Powers in making policy—including war—for their profit is well-known in its general outline; but full disclosure is hard to achieve. Too many of the many books on such subjects are either spoilt by elements of whitewash or are weakened by the lack of clear proof of what everyone believes to be true. But sometimes historical research is enriched by 'finds' of unimpeachable documents.

A good example of this lies before us now in the recent book *Krupp und die Hohenzollern* (Ruetten und Loening, Berlin, Mks. 5.30), in which Willi Boelcke edits and comments on letters selected from the correspondence passing between the successive heads of the Krupp works and the Kings of Prussia and Emperors of Germany and their ministers between 1850 and 1916. These were not meant to be published; whilst the letters will naturally have been written with caution and restraint on both sides, they are highly reliable evidence against the writers, and are a real enrichment of the history of Krupps, one of the oldest and largest of the world's armament kings. To read the correspondence does let us, as it were, inside the devil's kitchen, to watch him making his concoctions, even if we don't learn all his secrets. Merely as a story, it is fascinating—better and truer than the most plausible of crime novels. But it is of course far more than that. It does not perhaps tell us much that is wholly new; but it turns suspicion into knowledge, throws new light on much historical material, and carries a whole range of invaluable lessons for all lovers of peace, democrats, and other human beings. The book covers from 1850, when the Krupp concern, still small, was less than forty years old, to 1916, less than forty fateful years before the moment when the 'Western allies', in defiance of their treaties, of common decency, and of any regard for the peace and security of the world (or of anything else except their insane desire to build up a war front against the U.S.S.R.) handed back to the Krupp family most of the colossal wealth it had built up out of two world wars and the preparations for those wars.

The reader will learn a great deal, and learn it on the whole pretty easily, about the relations between the armament industry and the state; he will see the former not just as a supplier of deadly weapons for vast profits but as a direct and even more powerful influence on the political and economic development of the country, aiming

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

always of course not at the greatest good of the greatest number but at the greatest profit of the great Krupp. The reader will learn something, too, of the relations between the armaments industry and heavy industry in general, between the armaments industry and finance, and—more importantly—between heavy industry and the growing working-class movement, with its trade unions and its social-democratic party. And his imagination will easily move from what he thus learns to two other matters; the first, what Krupps and the armaments industries generally have been doing since 1916; and the second, what the working-class movement has been doing in the same period. And it will only be a step further for him to study also how the political setting of the German Empire and the Weimar Republic in which Krupp flourished passed naturally into the Hitler Reich in which Krupp flourished, and somewhat less naturally into the half-American Adenauer Reich in which Krupp flourishes again. Finally, he will surely remind himself that 'Great Powers think alike', and that it is high time for us to study more intensively the parallel developments in our own country from before 1850 to long after 1916, and to draw many lessons from all this for the cause of peace. Whilst we must never foster the illusion that armament-mongers are the causes of war in the full sense that if you get rid of them you automatically get rid of war, we must equally not underrate their importance as a powerful addition to the forces working for war. It should indeed, not be easy to underrate them when we see the 'Brinkmanship' role played by the American armament kings in the Cold War. To draw one's lessons properly, merely to read the interesting crime story, one has to look at each of the five sections* in a little detail. If one reflects, stage by stage, whether things would be likely to happen in the same way in Britain, one can sometimes answer 'yes', and sometimes see differences which are not fundamental but rest merely on variations of political structure.

In the first period, only a century away, but in many ways very remote from today, the central activity of Krupps was the persistent fight with a reluctant government to secure patents, and more particularly prolongation of existing patents for guns, which they needed to establish a powerful monopoly against their competitors and thus to lay the foundation for the very high prices they were to charge throughout their history (often involving the sale of essential armament material to their own government at much higher prices

*The five sections of the correspondence, each preceded by a short but valuable introductory article by the editor, are 1850-1870; 1871-1890; 1890-1902; 1902-1914; 1915-1916. Most of the letters are from the Prussian State Archives, now in the possession of the German Democratic Republic.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

than those charged to foreign countries). But, side by side with this, we see already in existence many of the notorious features of modern armament industry. One of the more striking of these is the vigorous, and often semi-blackmailing, pressure on the government to place large and ever larger orders for armaments by showing what large orders foreign governments are placing (such orders in their turn having of course been obtained by Krupps by all sorts of persuasions and by the development of a vast information service). There are interesting instances in this period of Prussian lagging behind Russia, France and England in militaristic zeal, and needing strong 'prodding' by Krupps to place orders. Another interesting item was the early beginning (1852) of Royal visits to the Krupp works, which became a regular and striking feature of Prussian and German political life. These were doubly remarkable for the Hohenzollerns, who were regarded by themselves and their subjects almost as demi-gods, but are all the more interesting for that very reason. Finally, one sees already in the letters of this period the nauseating mixture of God, patriotism, and even 'service to peace', expressions of which accompanied and varnished Krupps' pursuit of profit out of war.

The second period, 1871-1890, is moving much nearer to modern times, with the German Empire (no longer just Prussia and other States) moving into the last stage of Capitalism and its industry correspondingly developing into large scale and monopoly capitalism. The armaments industry is the one industry in which, by playing on the customer's fear for his own safety, one can make him increase his demands infinitely and indefinitely, in which there is no definite limit on consumption (as there is for example in the case of the stomach) and in which there is no limit—other than national bankruptcy—on the capacity to buy. (All this, of course, any American armament manufacturer of the 1950s understands perfectly!) Krupps were already by this time strong enough, as one writer put it, to determine at 'The Hill', the Krupp family home in Essen, 'what armaments the State must buy, what price it must pay, and even who should be the Prussian War Minister'. Krupps, in their new strength, began the new period after the Franco-Prussian War by large-scale and only apparently reckless purchases of other enterprises, and above all of sources of raw material, especially coal and iron-mines. The other new feature was the growth of what Krupps regarded as a new and formidable enemy—the working-class movement, especially the trade unions and the Social Democratic Party (the father of the Communist Party of Germany

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as well as of the Socialist Party (S.P.D. of today). The Krupp of the day, frightened by the Paris Commune and still more by the notion that he might no longer be the undisputed lord and master of his vast labour force, called it 'the approaching danger of Socialism, Communism and anti-Religion'; he met this 'menace' with an absolutist attitude which the right wing of the Labour Party would reject, and the Tories would envy but scarcely dare to copy.

The third period of the correspondence, 1890-1902, covers most of the reign of the flamboyant and unstable Friedrich Alfred Krupp, sole owner of the vast and ever vaster concern from the death of his father in 1887 until his own sudden death in 1902. It was a period of emergence of the relatively new German Empire—under the exuberant leadership of the Emperor William II ('Kaiser Bill' of the First World War), who succeeded to the throne in 1888—as an ambitious State aiming to be not just a European Great Power but a World Power. For that purpose it had to become also a first-class naval power; and in perfect parallel Krupps developed as the adequate machine for such an ambitious state, not only manufacturing armour plate and naval guns but also buying up and operating a shipbuilding yard (the 'Germaniawerft' at Kiel).

Krupps, of course, often had to work hard to get orders. Their close relation to the Emperor was not in itself enough; powerful ministers, civil servants, and military leaders also had some say, and not a few of them were hostile to Krupps on grounds of class prejudice or opposition to ruthless monopoly. These F. A. Krupp appeased by various methods—including the provision of posts equivalent to directorships for their relatives or even themselves, direct subventions, and other such means; and he was able at least occasionally to have recalcitrant ministers removed. There was also, by now, parliamentary opposition to Krupps, and ever-growing opposition from the working-class and revolutionary movement. All these, with the Emperor's support, Krupps were able to keep at bay in the semi-feudal, only formally democratic, country; but it was in its turn a formidable portent of troubles to come. Other Krupp developments of this period included the large-scale establishment or purchase of newspapers which were then devoted to personal propaganda for the Emperor and to naval and other propaganda to build up a militant spirit in the population, with a view to increasing Krupp's profit. In 1902, a week after a big press campaign opened against him based on his homosexual activities, Friedrich Alfred Krupp died suddenly of a stroke. This might have shaken the Krupp Empire; but at that awkward moment the demi-god Emperor—

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

whom we find addressed in this correspondence by Krupp with almost untranslatable humility, in such terms as 'Most all-serene almighty Emperor and King, most all-gracious Emperor King and Lord'—attended the funeral and made a fantastic speech of eulogy, in which he told the assembled Krupp workers that 'their products had ennobled the name of their Fatherland everywhere abroad'. (This was perhaps carrying matters a little too far, for considerable indignation had recently been aroused by the fact—always likely to happen with armament industries that carry on export business—that in the 'Boxer' war in China the efficiency of Krupp products had been demonstrated by the Chinese government, which had bought them from Krupps and now used them to kill German soldiers.)

However, Krupps remained intact, and the whole property passed to F. A. Krupp's daughter, Bertha, who was then 16 years old. The concern was shortly afterwards formed into a limited company; Bertha married a German diplomat, von Bohlen und Halbach, and the business continued to prosper for God, King, war, and profits. (Her name is remembered by the troops of the First World War, since the impracticably large and wasteful giant cannon, built by Krupps and fired occasionally, was christened Big Bertha. The lady was no doubt grateful to God for this profitable blessing too.)

The fateful period 1902-1914 moved forward. In the new limited company, the presence of Government representatives indicated Krupps' influence over the government rather than the reverse. It is interesting that by this time we are so near to the present day that one person who held a leading Board position, Alfred Hugenberg, a bigoted Nationalist fanatically devoted to the destruction of all working-class organisations, survived until 1951, and became, in due course, an active adherent of Hitler, whose outlook must have been welcome to him. In this period, the links with the Emperor are at least as close as ever. The most elaborate 'explanations-away', written and oral, are furnished directly to him on the 'alarming' increase of the Social-Democrat vote in a constituency largely inhabited by Krupp workers; annual reports of the Company's work are furnished to him before they are made public; and the engagement of Bertha Krupp is reported in the same way. The period was of course one of active and profitable preparation for war (and not only in Germany). Krupps not merely greatly increased their production; they expanded enormously their productive capacity.

It was a period, too, of increasing working-class activity and opposition to Krupps. Strikes broke out, and were ruthlessly fought.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In one instance, in 1907, workers struck against the dismissal of one of their comrades; they were all immediately locked out, but the lock-out had to be called off within ten days because other employers of labour complained that it would lead to their having to lay off many of their workers! Opposition came in various quarters, particularly in Parliament, where Karl Liebknecht developed a powerful campaign based on sensational disclosures of wholesale corruption by Krupps—this is, naturally, not disclosed in this correspondence. It was with the greatest difficulty that even the powerful reactionary government side-stepped this opposition.

Then came the First World War, and so far as this correspondence, which ends in 1916, is concerned, the most important subject is the statement, long and carefully prepared and worked out by Krupp and others, of the war aims of German heavy industry. These were not published. Their most striking feature is that, in their expression and their spirit, and in most of their details (other than colonies) they were closely paralleled in due course by Hitler in his demands on the European countries. This is interesting and illuminating; but it is of course inevitable; for Hitler was the product of this very heavy-industry section of the German ruling-class.

What lessons can we draw from this story, beyond the direct lesson that the manufacture of armaments for private profit under capitalism is bound to place much political power in the armaments industry, power which is inevitably used to increase armament production? Primarily there is the lesson of the utter futility of the claim that armaments—let alone armaments races—can keep or help peace. Secondarily, there is implicitly the lesson that reaction, dictatorship, or semi-dictatorship, in the last stage of capitalism, move very easily into direct Fascism, especially in a period of tension and heavy armament. This is particularly well illustrated, today, by any critical examination of the Cold War forces in America. (And let us not be complacent about Britain. The activities of our armament kings must resemble Germany's, dangers of war and of fascism are real until we get a Socialist Government.) Thirdly, there is the clear lesson that the role of the working class in fighting against armaments is far more direct and far more important than appears at first sight.

Finally, there is the emphatic lesson that the whole peace movement has to struggle harder than ever on all fronts against hot war, cold war, and fascism, and that the position is favourable to that struggle.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MARX'S TRANSLATOR

[*In the first months of 1872 Marx, leading the General Council of the First International in its struggle against the harrying of the refugees from the Paris Commune, was concerned also with the disruptive actions within the International of the followers of Bakunin. Jenny Marx, in the (slightly abridged) letters to Kugelmann, tells also how her father had at one and the same time to cope with a second German edition of* Das Kapital *and with its translation into French—in which his son-in-law Paul Lafargue (1842-1911) and his future son-in-law Charles Longuet (1833-1903) rendered some help.* —ED., *L.M.*]

January 22, 1872.

MY DEAR DOCTOR,

I am afraid your plan with regard to the refugees cannot be carried out. On the slightest pretext they would be delivered up into the hands of the Versailles hangmen. Why, even here in England the ministry have been working underhand to introduce a bill for their extradition. If it does not come to that it is simply owing to the fact that so soon as the intention of the government had been discovered, it was at once made known to the English peoples, who now being forwarned will be forearmed, and will not stand tamely by to see their country degraded by such an act. I do not know whether I have told you that it was Papa who first obtained information of the plans of the government by means of an acquaintance of his connected with the home ministry, and that he at once made them known in the general council, after which, the news was published in the *Eastern Post*.

And yet, with such proofs of the absolute necessity for the political and diplomatic action of the general council staring them in the face, the miserable band of intriguers who style themselves Internationals continue to work as indefatigably as ever to undermine the council. In the Belgian Congress you will have seen that they have already reaped the first fruits of their intrigues. They have passed a resolution, the object of which is to transform the general council into a *bureau de renseignement* [an information bureau]. . . .

Papa has already sent off more than half his book to Meissner. In the first chapter he has made great alterations, and what is more important, he himself is satisfied (which does not happen often) with these alterations. The work he has done these last few weeks is

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

immense, and it is really a wonder that his health (it continues to be good) has not given way under it.

Entre nous, my dear friend, I must say that I think Meissner has been behaving very badly to Papa—that instead of forcing him to do all this work at the last moment, he ought to have informed him of the forthcoming publication of a second edition at least four months ago and thus have given him time. Unfortunately Papa is obliged at this moment likewise to prepare the first chapter for the French translator who is at once to set to work, Lafargue having come across a first-rate French publisher, who is very anxious to publish *Das Kapital.* The translator is not Keller, who was prevented from resuming his translation, because he is engaged on another work. Charles Longuet, one of the ex-members of the Commune, has found another translator for it—Leroy I believe his name is—who has translated several works of Feuerbach with much skill. He is said to have succeeded in rendering into the fixed formal French language much of the movement of German thought —no easy task. The book is to come out in *livraisons* [sections]—thirty I believe.

I must not forget to tell you that Lafargue has again been disturbed by the police, has been obliged to leave St. Sebastian and is now staying at Madrid. So Laura is again left alone with her child in a strange country. We cannot imagine on what pretext Lafargue has again been expelled as the International, of which he formed sections, is not being persecuted at this moment in Spain.

Believe me, my very dear doctor, Very faithfully yours,

JENNY MARX.

[*'The first foreign nation to translate* Kapital *is the Russian,' stated Marx, and five weeks after that translation was published (March 27, 1872) Jenny writes to Kugelmann that the Tsarist censor (who had recommended that 'it should not be prosecuted' on the ground that though Socialist its manner of presentation was not such as to make it 'open to all') had banned a frontispiece photograph of the author. She then tells how Roy, the translator of the materialist philosopher Ludwig Feuerbach (1804-1872), was faring with* Kapital: *the swan was turning into a goose.*—ED., *L.M.*]

London, May 3, 1872.

MY DEAR FRIEND,

Knowing how deep an interest you take in everything that concerns Papa, I hasten to tell you that he has just received the first

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

proof sheet of the *livraisons* [sections] to be published in French. Unfortunately much time has been lost because M. Lachatre, the publisher, insisted upon printing in the first *livraison* a portrait of the author of *Das Kapital*. Perhaps we ought to excuse Lachatre for attaching so much importance to the publication of the portrait if we take into consideration the fact that the Russian government has allowed *Das Kapital* to be printed, but has put its veto upon the issue of the author's likeness! However that may be, the fact is that it is owing to the likeness which had to be first taken, then engraved that a great delay has been occasioned.

The translation of the first part of the book is not so good as we had every reason to hope it would be from the fame of the translator, M. Roy, who has with great success translated Feuerbach. Papa is obliged to make numberless corrections, he has to re-write not only whole sentences but entire pages. This labour, added to the correcting of the proof sheets from Germany, and to the overwhelming International business is too much even for Papa, though you know his *arbeitkraft* [working capacity] is extraordinary. I hope therefore you will pardon him for not writing oftener to you. It is absolutely impossible for him to do so. I greatly fear he will soon fall ill again—as so much work will be unendurable when the hot weather sets in. At the present moment his health is not bad.

I suppose you have seen from the German papers that the International has been fiercely attacked in the House of Commons? Enclosed is the answer issued by the General Council and which (with the exception of the *Eastern Post*) not one London paper has had the common fairness to insert.

Though the British Government has been obliged to declare its inability to comply with the wishes of M. Thiers openly to interfere with the International, it secretly does all the dirty work demanded of it. Mr. Gladstone furnishes M. Thiers with the correspondence of the General Council to the continent. Last week, for instance, Outine from Geneva wrote to inform us that a letter Papa had written to him on International affairs had evidently been opened, and that, strange to say, at the post office in London the words *via Ostende* had been changed for *via Calais*, which of course enabled the Versaillists to make themselves acquainted with the contents of the letter. And this letter had been registered! . . . .

Believe me, dear friend, Very sincerely yours,

JENNY MARX.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

YOU CAN READ ON, IF YOU CHOOSE

ANGELA TUCKETT

DO you think *Labour Monthly* 'worth your while'? If your answer is 'No', then we need not trouble you to read on. No hard feelings! Just turn to other pages. If on the other hand you find it worth your while, challenging, provocative of thought, perhaps indispensable—then we would ask you next, whether you feel a personal responsibility for extending readership and supporting it financially?

At this point some of you may say: 'Frankly, no. There are too many calls made in the movement; I can't answer them all. Anyhow, I'm doing all I can in that respect. And if a magazine can't take care of itself without constantly appealing to readers to dip their hands into their pockets, then it had better go to the wall and make room for one that can.' To such readers we reply: 'Fair enough, if that's how you see it. Don't trouble to read the next paragraphs, and good luck to you.'

By now we feel we should have got down to those whose response is: 'Of course we will do everything possible.' Some may add: 'But though quite willing, I don't really see what I can do, in my circumstances.' Others may say: 'Well, convince me, if you can. I'm ready enough to listen.' Right! We will start by putting the case to you from the money side. Since the time when we were obliged to put the price up from 1s. to 1s. 6d. in September, 1951 (exactly six years ago—many months after most other periodicals) there have been some unprecedented rises in cost. You know this in general; and you have probably already read the article on Inflation on page 404. We do not know how many times your wages or salary has had to be pushed up in the past six years, but we can assure you that the old fallacy of wages being the factor that pushes up prices holds no water whatever as far as *L.M.* is concerned!

You have seen how publications have been falling like ninepins. There were debates about it in Parliament, talks on T.V. and radio, feature articles and editorials in the press. Without burdening you with a mass of figures, here is how *L.M.* is affected by these difficulties, taking only four items of cost which we ourselves cannot control:

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

	September, 1951	September, 1957
Printing (per 1,000 copies)	100	211
Postage stamps (per 1,000 copies) ...	100	133
Rent and rates	100	133
Lighting and heating	100	208

Of course postages are now to go up in October by at least 50 per cent; and fares, freight, telephones—all are going yet further within a matter of weeks. All this has taken place *whilst the price of L.M. has remained the same*. From even these few figures you can form some picture of how our narrow margin narrowed and thus faced us with a most serious problem.

How to bridge the gap is the question on which we are now consulting you. We have already made a number of economies, and we are always on the lookout for what else we can do, *without lowering standards*. But no matter how many economies we made, cheese-paring would not save a magazine. Again, the last thing we should want to do is to raise the price. We know that it would make it more difficult to win new readers, even if we are confident that we would retain the old.

There remain, as far as we can see, only two ways of bridging the gap. The first is—to get more donations. And these should be far more, from many more hands. For whilst, as you have seen, costs have been going up greatly, donations have remained more or less stable. Too high a proportion of those who give money each month, or when they renew their subscriptions, are 'foundation' readers, who have followed the magazine for thirty years or more. Active shop stewards in the early 'twenties, they are now on pension, or reaching it. They have made their full contribution, to *Labour Monthly* no less than to the movement. The younger people must take over the lead from them—and with it, their responsibilities. Bridging the gap with donations does not depend upon our action, but upon that of readers as a whole. For us, the question is; what can we do to help your efforts? Should more space be given to fund-getting? Would collector's cards stimulate regular group collections in factory and trade union branch? What do readers think?

A further way of bridging the gap would be to get a very big increase in circulation. This would spread the burden of those overheads and fixed charges such as rent and rates, lighting and heating, telephones, stationery, fares, etc. And—note this—every new reader won is a potential fund supporter; and that would help with the

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

donations side. We should favour this for every reason. We *want* more readers; we can never have enough of them. Here again however it does not rest solely, nor even mainly, with us. It is in the hands of our readers, whether circulation increases or not. We do not propose to rely on taking full page advertisements in the national press, nor interrupt T.V. programmes to explain to readers how unpleasantly noticeable it will be if '*Somebody* isn't taking *L.M.*', or how all who want to look like the Best Informed People really must be seen carrying it. Of course, if everyone who has read thus far gives himself or herself a month, or even two months, to make one new reader, we should be in a fair way to safety. But let us be realistic: some of you are in no position to win a new reader, or are already doing more than your share; others will not; rather more may plan to do so, but will not in fact take the necessary steps to carry it out. It needs people to *begin*. For a start let us lower our sights a little. Can we persuade 300 readers to become resolute and regular circulation-builders, who aim to get at least four new readers each by the end of the year? That should not be difficult for those who set about the job in their factory, depot, pit or trade union branch; or in their Co-operative, Labour or Communist organisations.

Two generations of militant trade unionists and progressives have found political education and training, common ground for discussion and thrashing out new policies, in the pages of *Labour Monthly*. That is why it has been able to win such support and achieve the unique distinction of maintaining its existence for not far short of forty years, unsubsidised by any political or industrial organisation or wealthy advertiser, or private fortune. Just point to such another, if you can, anywhere! Today more than ever the younger militant trade unionist needs this unique journal, whose work has been recognised these many years throughout the labour and trade union movement. If the younger militants are given the chance they will eagerly read this guide and weapon, which circulates throughout the world (even in those colonies and oppressed lands where it is banned, progressives eagerly seek access to it).

It is not our custom to make special appeals. We do not believe that our readers will ever let us down in a crisis; they never have so far. We ask you, as a matter of urgency, to consider what help you think you can give in support of *L.M.* To find the money for it? To extend readership? It is your magazine. The responsibility is personal to you.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

LABOUR DISCUSSION FORUM

A bus conductor, a pensioner, a Tenants' chairman and secretary —active campaigners like these have taken time off to put their viewpoint here, despite holidays. And how much time they save themselves by doing so! For they get a hearing from thousands (and all over the world) about wages, rents, pensions, international brotherhood, problems of organising the unorganised—all in the short time it takes to write a letter. Judging from these columns, the busier you are the more you can find time for. Last day for October (short letters, please): Monday, September 9, to:

THE EDITOR, LABOUR DISCUSSION FORUM,
134, Ballards Lane,
London, N.3.

★

A New Deal for Tenants

When Councillor Tom Vernon writes (August *L.M.*) that 'the Labour Party should be preparing now to frustrate the operation of the Rent Act and to kill it altogether at the earliest possible moment, as the equivalent of a heavy wage-cut', he is undoubtedly right.

As chairman of a local tenants' association and also of a borough anti-Rent Act committee, I am convinced that tenants of all kinds, and not only wage-earners, must be told that the Labour Party, when it is returned to power, intends to repeal the Rent Act. In my opinion, such a step would win more support than any other single issue, from both Labour and formerly non-Labour voters, for an early General Election and the return of a Labour Government.

The suggestions which Councillor Vernon makes for a one-clause Bill to unscramble the eggs have my support, with one exception: on the question of rents. I suggest these could be standardised in a way which would benefit tenants as a whole. Councillor Vernon proposes that rent limits should return to the pre-1957 Act position. But this was no tenants' paradise! One of the most difficult things in the past has been to establish the correct controlled rent of a dwelling, unless the tenant was in possession of rent books or other evidence covering as much as the previous thirty-five years or so. Where a tenancy changed, it was all too easy for a landlord to increase the rent above the controlled level; and the new tenant could prove nothing without the rent book or other evidence from the previous tenant. Due to these facts and to previous de-control legislation, past and present controlled rents often bear little relationship to rateable values, and identical flats may have vastly different controlled rents. Add to this the great variations in rent levels for local authority dwellings and we have a situation which can only spread confusion and division amongst tenants.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

I suggest, therefore, that any new Bill should contain a clause relating all controlled rents to rateable value (and why should not local authority dwellings be included?). I hesitate to suggest a figure; but suppose for the sake of argument, the maximum rent was to be equal to the *gross value*. Then throughout the country all controlled rents would have a proper relationship. Rents in excess of this figure as previously controlled should be reduced; very low ones would be increased. Consider how simple it would then be for the tenant to check his correct rent at the local council offices. I would add that something similar to the pre-1957 Act safeguards regarding disrepair should also be included.

With all rents tied *down*—not up—to rateable value, and security of tenure extended to council tenants as well as private tenants, Labour's long-term municipalisation scheme would take on some meaning, or at least lose some of its rigours, for many who now are either hostile, sceptical or left quite cold at the prospect.

Municipalisation may be the first step on the long road to what should be the goal of any socialist policy—to make housing a social service. Meanwhile, Labour should note that if rents are standardised as I suggest, any Government trying to increase them in future would come at once into head-on collision with all tenants, everywhere, at the same time. There could only be one outcome to that.

GEOFFREY MADDISON,
Hampstead.

Don't Cause Confusion!

Mr. Maddison has a little misunderstood the purpose of my article, *i.e.*, to discuss the simple issue of *repeal* of the 1957 Rent Act. Repeal means restoring the *status quo* before July 6 last and so cannot include some new formula for altering everyone's rents from what they were before the Act. To try to do that would be a serious political error: there is now developing a united demand for repeal which would be weakened by introducing all manner of ideas about revising rents, which is a profoundly difficult matter and needs far more thought and enquiry than anyone has yet given to it.

His formula for establishing rents adopts the high scarcity rents in 1939 of decontrolled houses, for that is the basis of the current rating assessments. That is an easy, convenient and tidy notion; but is it fair? Maybe, but there will be no unanimity about that and so unity on 'repeal the Act' would be lost.

TOM VERNON (*Councillor*),
Marylebone.

Just So Long As it's Cheap

Oh, Brothers Richards and Saunders, and all the 'good' trade unionists who think and talk like you, when will you get hold of the plain truth about the low rates paid to women? It is the simple truth that cheap female labour holds back your wages and makes your jobs unsafe. When you get hold of that idea, there is another that goes with it. Unless you make this battle for lifting the rate your own, treating it as urgent and personal and affecting your own standard of living, you undermine everything you have ever fought for. Don't kid yourself that employers are not interested in the sex of their workers. They are very much interested in cheap unorganised unskilled female labour as it is one of the most profitable kinds of labour to employ. It is cheap labour employers want. They are also concerned with cheap colonial labour. Cheap Irish

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

labour. They eagerly discuss how a pool of unemployed would help to keep wage rates down. Perhaps our Brothers ought to have a look at the reasons why they fail to see something that is so obvious? Why don't they go to town in their own interest and see that the women get a level of wages equal to men's? Maybe they feel that women are inferior? Or maybe they like women to feel that the men are superior? I don't agree with either point of view: I just think men and women are different! Am I talking out of the back of my neck? Maybe you will agree with me if I can manage to explain what has been happening in my own industry.

We women Conductors working on London Transport are fortunate. We enjoy equal pay and equal work with the male conductors. We don't have equal opportunity for promotion, though. Nor equal rights in pensions and sick pay. In both world wars women replaced male conductors, getting the rate for the job and being used as a reserve of labour on the understanding that when the men returned from the Forces, out the women would go. The male staff insisted on the women getting the rate for the job. They understood very clearly that if the women came on at a lower rate, within a short space of time there would be no male conductors!

When after the war the London Transport Executive's policy of cutting down services and speeding it up was making the job a stinker: when at the same time the wage freeze policy of the union leaders held down the rate and so brought it down from the second best paid in the country in 1939 to somewhere around the fifty-second on the Ministry of Labour list: then the men did not want the job. So the union and the L.T.E. agreed to allow women again to come on to the back of a bus. The ban on Communists holding office in the union robbed the London busmen of their best leaders, or there would have been a different story.

There has been a constant argument about the women on the job ever since. The argument goes like this: the rate for the job is a low rate for a male worker with a family, but it is a good wage for a woman when in the country as a whole their average rate is little more than half the men's. Therefore to prevent the employer getting away with the low rate women should be kept off the job. The same kind of argument was made when the L.T.E. started to recruit Irish and colonial labour. It is this kind of thought that is at the back of the resolution carried at our recent Bi-Annual Conference. Of course the remedy is a wrong one. But the point I am trying to make is that even with equal pay on the job we find that the low rate of unskilled unorganised female labour *outside* our industry helps the employers to keep wages down. The remedy is wrong. Wages don't automatically rise. Wages have to be fought for, and the job of trade unionists is to see that all workers—women, colonials, together with skilled and unskilled—learn to fight together.

What our Brothers have to do, then, is make themselves the champions of the sweated unskilled unorganised workers, in their own interests. You will find if you begin to try to do this, if you begin to champion the women, you will win the best allies you ever had. You will close the ranks against the employers and you will make your own rates and your own jobs safer by doing so.

TESS GORRINGE,
Lambeth.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Wanted: A Wages 'Floor'

The valuable contribution by Mrs. Mickey Doyle on organising 6 million women workers should be taken very seriously in the movement. Her point, however, is but one aspect of the problem of 13 million unorganised workers in Britain, including very many women and less skilled male workers, who find trade union dues a financial burden because of their low wages. Another obstacle to organisation is frequent job-changing by the lowest-paid workers in the perpetual search for something a little better, which often proves a short-lived illusion or a blind alley. I suggest that we have reached the point in history where a new approach is needed to catch the imagination and win the allegiance of the unorganised low-paid workers, and that this should be a campaign of all the unions for a *national adult minimum wage enforced by law,* led by the Trades Union Congress and the various confederations of unions.

Such a wage would be the 'floor' for the least skilled worker, male or female, at the age of 21, or, better still, 18. The principle of the legal establishment of a guaranteed minimum wage for all workers was advocated by the World Federation of Trade Unions at the International Labour Office Commission on the Status of Women in 1956, on the ground that it would greatly help the struggle of women for equal pay. There are, to some extent, legal minimum rates in Australia and France. Vested interests may lead some trade union officials to argue that a state enactment would undermine the role of the unions; but this is the mentality that prefers endless battles to victory. On the contrary, to win such a law from the employers and the Government would require maximum mobilisation and struggle of the whole movement; it would be a decisive victory of principle for the working class. Further, a national minimum rate, whatever the initial figure, could not be static. From time to time, united campaigns of all the unions would be needed to get it plussed up to the cost of living and/or national productivity. Finally, it would enable the craft and industrial unions to concentrate even more closely upon the fight for adequate differentials for every grade of skill above the minimum; including differentials even within the labouring grades, such as the long-awaited differential to foundry labourers over engineering shop labourers achieved last February; and it might be a means to end the notoriously low rates arrived at by Wages Councils.

The whole edifice of wages and salary rates rests upon the lowest wage, which should be made the lever to raise all. A national campaign of all the unions with the first objective, say, a £9 legal minimum for the basic week, and directed to every employer and every Member of Parliament, should convince the unorganised low-paid workers that the movement will fight for them.

B. STERN,
Finsbury Park.

Homework

There are some fantastically cheap toys and other 'fancy goods' about, products of horrible sweating. Is there no way to check where they come from? Some are definitely 'Made in Japan'; others are labelled 'Hong Kong' or 'Empire made' (proud thought!), whatever their place of origin.

An investigation into the conditions of 'home workers' carried out recently in Japan (two Socialist M.P.s were included in it) found that

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

much of the work they did was for the huge firms, for export. Their report described an interview with a Tokyo woman, who covered boxes with cellophane (ten for a farthing). She reckoned to do 1,000 a day, working ten hours, and so earned 12s. a week. 'But this job is rather a good one', she remarked. For at paper-bag making her earnings would only be *3s. 6d. a week.* There are 410,000 such 'home workers', whilst over six millions, or 36 per cent of the total Japanese labour force, get less than the 36s. 9d. which the trade unions have fixed as the eventual target of a Guaranteed Minimum Wage System for which they are campaigning. Their immediate target, for close on three and a half million wage-earners, is 27s. 7d. (Doubtless Japanese employers, too, resist wage demands on the ground that it would 'price us out of the world market').

'Fancy goods' of this type do not take my fancy; they make my gorge rise. All support to the Japanese trade unions!

R. DIXON.

Bradford.

Make, Keep and Train 'em

These 6,000,000 unorganised women which Mrs. Doyle wrote about last month will be unorganised for years to come, unless the unions mend their ways—and fast. It is time they treated the women members they do have as something a bit better than dues-paying units on some branch secretary's book. 'Sign 'em up and take the percentage of their dues' may be the attitude of only the worst type of branch secretary, but we all know he exists. Then there is the branch secretary who treats all his women members as a passive flock of sheep, neither ready to stand up nor speak up. Another type welcomes them: but so blinds them with what is, to them, inexplicable mumbo jumbo, about Previous Questions and Next Questions, that the new members fade away long before they can see the wood for the jargon.

In my union of 200,000 members, one-third are women. Of the 46 full-time organisers—not a single woman. On the executive—not one. Amongst the 600 delegates to annual conference—the bumper figure of 50 this year. Women, I have had it said to me by a high trade union official, are not capable of 'standing up to the rough and tumble of union affairs'. What does he think working-class women do all their lives, I wonder! Amongst unpaid officials, I am one of the few women holding office as chairman of an Area Conference: though there are one or two other women who are branch secretaries like myself, but only of 'women's' branches. (Mine is one of the general unions, and recruits women largely from occupations in which very few men work, if any; so that there is a number of branches catering for women only.) Mark you; it was my rank-and-file men colleagues who explained that mysterious procedure to me and encouraged me heartily to have a go. My experience has been that newly recruited women will quickly gain confidence to speak up in a women's branch covering their own section. And they are keen; witness an attendance of sometimes 20 per cent and never below 8 per cent of membership in my own branch.

This absurd underestimation of women was illustrated recently when, after my branch had agitated for two years, a Women's Delegate Conference was called in London, attended by 500 delegates. Of the platform party of 8, there was—no woman. If the union after all these years

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

has not trained any woman member to be capable of addressing a delegate conference, then it does not say much for the union's educational record; and the officials had better get weaving on it. In the meantime there seems to be a case for a fixed percentage of women on the executive committee and the appointment of women's organisers.

Any union which seriously gave thought to how to make, keep and train women members could reap a rich harvest—maybe some 6,000,000?—and become the most formidable organisation in the country.

LOUISE ROSS (MRS),
London.

National Union of
Public Employees.

Subsistence? Or Only Near It?

Katherine Hood in 'The Labour Party's Pension Plan' states that a £3 per week pension for a single person would bring his position 'well *above* the subsistence level' of the National Assistance Board. This is rather misleading. The £3 pension would be above the N.A.B. basic *rate* of £2; but a single pensioner receiving £2 pension now might also be receiving supplementary from the N.A.B. for rent, rates, etc., with the total about, or over £3. If his present pension and supplementary equalled just £3, under the new £3 pension the loss of supplementary, and having to pay 1s. for each medical prescription without being able to recover it, as now, would make things worse.

As to *man and wife* on pension. Some cases will be no better off, others little better off, and still others worse off. Thus:—

Case A. Old pension £2, plus £1 5s. 0d., plus £2 supplementary = £5 5s. 0d. New pension £3, plus £1 5s. 0d., plus £1 supplementary = £5 5s. 0d.

They would still be on the supplementary and so entitled to *recover* the 1s. paid for each medical prescription.

Case B. Old pension £2, plus £1 5s. 0d., plus £1 supplementary = £4 5s. 0d. New pension £3, plus £1 5s. 0d., plus nil supplementary = £4 5s. 0d.

They would now have to pay for prescriptions. Hence a loss.

Case C Old pension £2, plus £1 5s. 0d., plus 16s. 6d. supplementary = £4 1s. 6d. New pension £3, plus £1 5s. 0d., nil supplementary = £4 5s. 0d. (increase 3s. 6d.).

This is my own case. We would have 3s. 6d. to help to pay for prescriptions; not much improvement.

Is it correct to treat the N.A.B. 'basic rate' as the 'subsistence level'? I think the latter is the income figure above which a person is not considered in need of help.

The reference to N.A.B. scales for couples as '£3 7s. 0d. plus rent allowances' is rather misleading. The difference between £3 7s. 0d. and the pension of £3 5s. 0d. can be allowed, plus allowances for rent and rates (or mortgage interest, ground rent, and repairs, if owner occupied), also window cleaning, and laundry.

E. EGERTON STAFFORD,
Liverpool.

★

(This month's prize of ONE GUINEA *is awarded to Tess Gorringe for her letter* 'JUST SO LONG AS IT'S CHEAP'.)

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Book Review

A CHILDREN'S BOOK

Do You Know? by M. Ilyin and E. Segal. (278 pp. Central Books Ltd., *6s.*)

THE Russian genius is particularly good with children. One thinks with affection of that marvellous little film *Chuk and Gek*, and of their inspired, beautifully-coloured animated cartoons, and of the fairy-tale splendours of the ballet. A love of magic does not confine itself to the children of one nation, but extends all over the world. The best magic, children know, is based on real things: we have only to read *Alice in Wonderland* and Hans Andersen and Grimm and the folk tales of all nations to see how true that is. In this book from Moscow that truth is borne out in a new and exciting way, for here we read of the everyday magic of science and agriculture.

The last section is in fact entitled 'The Magic Garden' and it tells us of the truly miraculous achievements of the great Russian naturalist Michurin. The book is a fairly large one, almost a small encyclopædia. That is an excellent thing in these days, when we find so many children's books that can be exhausted in an hour or even less. This one, taken in small doses, as the authors sensibly recommend, will provide weeks of entertainment and instruction, and will be returned to again and again. It is well printed, and solidly bound to stand up to years of excited and absorbed handling.

It covers an extraordinarily wide range of subjects. In the first part, we are given the fascinating life-stories of a pencil, a note-book, a penknife, and pen and ink. The second part tells us about the city: how streets are made and houses built; about the underground, cars, water-supply, electrical appliances, the post-office and food-supplies.

There are other interesting sections on 'Where Things Come From', 'The Storehouses of Nature', 'Nature's Alphabet', 'Forests and Rivers', 'Deserts and Steppes'. All the vast resources of the Soviet Union, and their challenge to man's ingenuity and courage are here outlined in a new kind of geography book that is never out-of-date or dull, but always exact, modern, and factual in a most imaginative way. The authors have successfully carried out that most difficult and praiseworthy of all educational tasks —to teach and at the same time inspire and entertain without condescension or over-simplification. The conversational tone of their book is exactly right for children: it is direct and natural and not afraid of adult words. This is a fine book for a lively, inquisitive child. It should satisfy perfectly that practical curiosity that is in every boy and girl between the ages of ten and sixteen, an age which will not be fobbed off indefinitely with uninformed or evasive answers to its direct and anxious questionings.

JAMES KIRKUP.

Published by the Proprietors, The Trinity Trust, 134, Ballards Lane, London, N.3, and printed by Wembley News, Wembley, Middlesex, Great Britain. Registered for transmission by Magazine Post to Canada, including Newfoundland.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

(Continued from page ii of cover)

A *Daily Mail* hostile story achieves the interesting result of making visiting correspondents of other British capitalist papers really indignant. Some delegations of U.S.A. satellite countries, directed by the State Department to limit themselves to a small number of 'reliable' people are found to have somehow become large and mainly full of people so 'unreliable' that they really want Peace and Friendship. A jamboree? All Communist propaganda? Well, it is a jamboree as well as a dozen other things, and all the better for it; one wouldn't call everyday life just food and drink, but there's no harm in eating and drinking. And, if all this peace and friendship is really just Communist propaganda, then it is very good propaganda. And, if the joint effect of London's sneers and Moscow's realities—with their tremendous boomerang effect on those who had half-believed the story that the Soviet Union consisted of a number of cowed persons, living under a tyranny but yet hating foreigners and longing to go to war against them in support of their tyrants—were to make the 31,000 delegates into Communists, one would not have to burst into tears! But quite as much as that will not happen; there are some pretty strongly anti-Communist elements (not to mention a few police spies) in some of the very widely composed delegations. The only link with Communism of most of the 31,000, is that they, too, prefer peace and friendship to either a cold war of hydrogen bomb tests or a hot war of hydrogen bombs.'

Such, then, is what can be seen to be the choice by those who are awake to life. May it not be long before every country in the world, not least Britain, is as ready and able to receive with open arms the youth of the world, in peace and friendship.

Shocked by the low Fund total last month a few readers have sent generous gifts—including one London friend of very long standing, despite being forced 'to be away from work for some time' for health reasons. A Surrey reader writes: 'It has always been a surprise to me that so few people have given well-merited support to the magazine. If a number of subscribers banded together and agreed to contribute an annual sum, I should be glad to join.' He backs words with deeds—a £5 donation. As you will see from page 423 there is dire need. July donations totalled:

£42 10s. 7d.

REGULAR DONATIONS include: 'California', in memory of Captain Herman Boetcher, U.S. Army, Spain-Pacific, £1; A.M.T. for Fernando and Guilherme, Portugal, 1s; H.G.B., 3s; Olivia Greens, £4; M. Philibert, 15s; S. Morrissy, £1; Old Age Pensioner, 'Nottingham', 10s; Q. Elliot, 6s; R. McLeod, 5s; C.T.M., 'Mill Hill', 5s; L. Perkins, 5s; J. A. Smith, 2s 6d; R.F.B., £3; Anon, 'Whitchurch', 1s; Anon, II. 5s; D. M. Clarke, 10s; 'Oliver Twist and Friends', 10s; S. Mill, £1: The Humphreys Family, 4s; W. H. Strathern and Friends, 12s; T.W.R., £1; H. Tinkler, 5s; D. Smith, 5s; 'Republican', 5s; 'L'Humanité', 3s; 'Socialist Sailor', £1; E.J.B., 10s.

OTHER CONTRIBUTIONS include: V.G. (India), 1s; H.C. (Canada), 4s 7d; D. C. Wallis, 2s: D. F. M. Parvin, 12s; J. S. Dean, £2 2s; 'Tedburn St. Mary', 2s 6d; B.J. (Iceland), 1s; A. E. Portbury, 12s; B.Lewis,11s; R. D. Manning, 12s; F. H. Oaldaker, 5s; Anon, 'Reading', 3s; J. J. Murphy, £1 2s; H. G. Coore, 3s; E. P. Young, 2s; M. Thompson, 1s; R. Winstone, 1s; L. Ward, 1s; D. R. Morgan, 2s; J. Peterson, 12s; W. Buchanan, 5s; Z. Mina, 10s; B. D. Youatt, £1 2s; P. J. Wallis, £1 2s; L. Bates, 4s; R. Herring, 2s 6d; J. G. Baker, 2s; I.C. (U.S.A.), 10s 9d; N. Pilkington, 2s; H. S. Richards, £5; R. Greenham, 1s; R Barnes, 18s; B.M.H. (U.S.A.), £2 16s 7d; J.H.B. (Canada), £2 8s 6d; Anon (Ontario), 14s 8d; Anon, Wales, 12s; V. Bell, 5s.

Our thanks to you all.

Co-op No. L99482.

ANGELA TUCKETT,

134, Ballards Lane, London, N.3.

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WHY NOT BY POST ?

NAME .....
(Please use block capitals)

ADDRESS .....

.....

.....

I enclose 18s. (home) $3.00, if first class mail $3.50 (U.S.A. and Canada). 19s. (elsewhere) for year's subscription from the .....Issue.

(SIGNED) .....

To LABOUR MONTHLY
134, BALLARDS LANE, LONDON, N.3

LABOUR RESEARCH

September issue includes:
"Whose Inflation?"
"Labour's Nationalisation Plan"
"Redundant Officers and Others"

Monthly 9d.; p.a. 10s. 6d.

LABOUR RESEARCH DEPARTMENT
2, Soho Square, London, W.1

NATIONAL GUARDIAN

The Progressive Newsweekly

Authoritative voice of the American progressive movement

Edited by CEDRIC BELFRAGE

Annual Subscription 21s.; 6 months 10s. 6d.

ORDER FROM COLLET'S
40, GREAT RUSSELL STREET, W.C.1

World's Labour and Socialist Movements
Communist International
World Affairs

We buy books, pamphlets, journals and documents

The HAMMERSMITH BOOKSHOP
William Morris House, Beadon Rd., W.6
RIV 6807

BOUND VOLUME FOR 1956

A few still available at the special bulk-binding price of **10s. 6d.**, and loose set returned to

THE MANAGER,
134 BALLARDS LANE,
LONDON, N.3

FOR SPECIMEN COPIES

Please send a free specimen copy of the.....issue to:—

(1) Name .....
Address .....

(2) Name .....
Address .....

You may mention my name, or/I enclose note to be sent on.

Signed .....
Address .....
.....

TO THE MANAGER, 134, BALLARDS LANE, LONDON, N.3

PRODUCED 2005 BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED